

Portland Harbor Natural Resource Damage Assessment Phase 2: Allocation Summary Memo for Ash Grove Cement, Inc.

1.0 INTRODUCTION

Ash Grove Cement, Inc. (Ash Grove), an owner and operator of sites in Portland Harbor, has engaged in activities resulting in releases of substances of concern. As part of the Portland Harbor natural resource damage assessment (NRDA) Phase 2 process, and for settlement purposes only, the Trustee Council developed a party-specific allocation of natural resource damages liability for two sites with which Ash Grove Cement is associated, Sites 21 and 275.¹ That liability is determined in units of discounted service acre-years (DSAYs). Based on the information gathered throughout the Phase 2 process, methods described in the Trustee Council's allocation methodology report, and data and assumptions described below, Ash Grove's liability is calculated to be 16.97 DSAYs.

This memorandum provides a summary of the information reviewed and resulting DSAY allocation for Ash Grove and is organized as follows:

- ❖ Section 2 provides background information.
- ❖ Section 3 describes general operations at Ash Grove's sites.
- ❖ Section 4 outlines Ash Grove's activities at their sites.
- ❖ Section 5 is a list of references.

¹ The allocation presented in this memorandum is limited to an allocation of natural resource damages liability by the Trustee Council and does not inform or have any application relative to other environmental liabilities associated with the Portland Harbor Superfund Site, including but not limited to remedial liability. The use of "allocation" or "liability" in this memorandum refers only to the Trustee Council's settlement-oriented allocation of natural resource damages liability.

2.0 OVERVIEW OF ASH GROVE SITES

Exhibit 2-1 is a map of the Ash Grove sites included in their party-specific allocation, and Exhibit 2-2 outlines background information for each of these sites. The relevant tax lot parcels are described in Appendix A of the Consent Decree associated with the settlement of natural resource damages for these parcels.

EXHIBIT 2-1 MAP OF ASH GROVE SITES

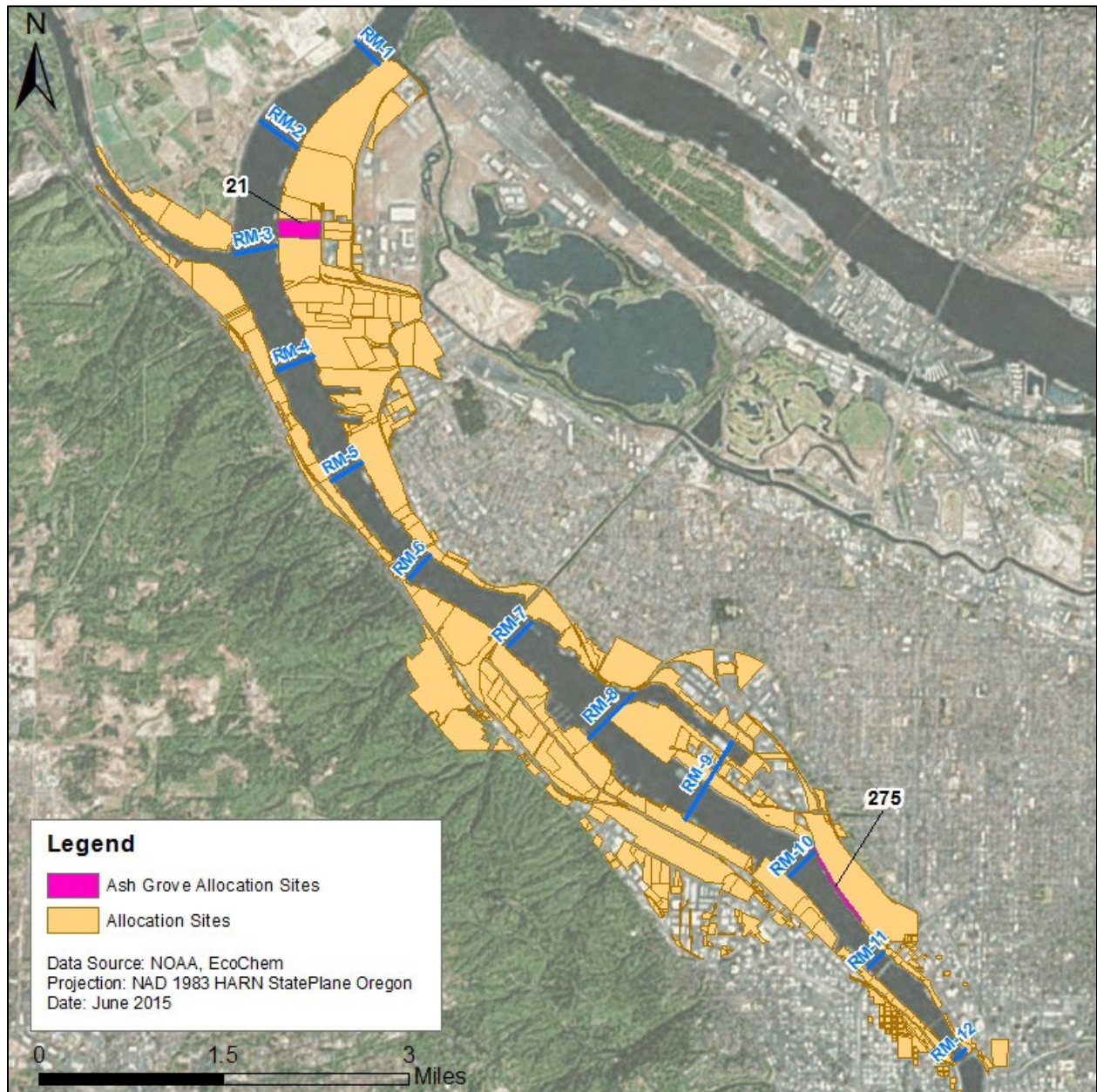


EXHIBIT 2-2 ASH GROVE SITE BACKGROUND INFORMATION

SITE ID	ADDRESS¹	CURRENT OWNER	ASH GROVE DATES OF OWNERSHIP	ASH GROVE DATES OF OPERATION	SITE ACREAGE
21	13939 N Rivergate Blvd	Ash Grove	April 2, 1963- Present	June 1, 1964- Present	29.61
275	North: 3737 N Port Center Way	Ash Grove	North: Dec 22, 2005- Present	North: Dec 22, 2005- Present	North: 7.7
275	South: 2600 N River St	Ash Grove	South: Dec 22, 1992- Present	South: Dec 22, 1992- Present	South: 6.94

Note.

1. All addresses located in Portland, Oregon.

3.0 ASH GROVE OWNERSHIP AND OPERATIONS

The following section briefly describes Ash Grove's ownership of and operations at the sites listed in Exhibit 2-2.

SITE 21 (Ash Grove Cement Co. #1-Rivergate)

Ash Grove purchased the property in 1963 from the Port of Portland, and lime manufacturing operations began in 1964. At that time, the facility consisted of a barge mooring structure for receiving raw materials (e.g., limestone), material conveyance and stockpiling systems, two calcimatic kilns, one hydrator, bulk storage silos, a warehouse, and an office. A third calcimatic kiln was put into production in 1977, and a replacement hydrator was installed in 2001. The calcimatic kilns and hydrator produced quicklime and hydrated lime for Ash Grove until June 1, 2006 when Ash Grove discontinued lime production and leased a portion of its product handling facilities (e.g., storage silos, conveyors, and hydrating facilities) to an unaffiliated third party, Graymont Western US, Inc. (Graymont). Graymont continues to use those facilities to deliver lime products to its customers today under a lease agreement with Ash Grove. Ash Grove continues to operate and sell the products from the grinding mills at the Rivergate Plant to produce powdered limestone and dolomite.

Site 275 (Ash Grove Cement Co. #2-Terminal)

The Ash Grove Terminal Facility consists of two contiguous parcels of land purchased independently. On December 22, 1992, Ash Grove acquired the first parcel (the "South Terminal Facility") from Union Pacific Railroad (UPRR). Cement storage and distribution facilities were subsequently installed, and the South Terminal Facility was operational starting in December 1994. Currently, cement is received at the South Terminal Facility via railcars from Ash Grove plants located more than 100 miles outside of the Portland area. Upon arrival, the rail cars are unloaded into concrete storage silos and the stored cement is subsequently loaded into customer and independent carrier tanker trucks for regional distribution. On December 22, 2005, Ash Grove acquired the second parcel of property (the "North Terminal Facility") from NSC Smelter LLC. Cement storage silos and distribution facilities were subsequently installed, and the North Terminal Facility was operational starting in April 2007. Cement and occasionally ground granulated blast furnace slag (a cement additive) are imported from overseas sources via ships. The material is unloaded from the ship using a vacuum system and then subsequently transferred to bulk storage silos. Stored material is then either loaded into railcars for distribution to Ash Grove's customers or transferred using rail cars or an enclosed pipe conveyor to the South Terminal Facility for distribution. The Ash Grove Terminal facility is surrounded on three sides by a UPRR rail yard.

4.0 ASH GROVE ACTIVITIES

Exhibit 4-1 identifies, for each of Ash Grove’s properties in Appendix A of the Consent Decree, the activities that had the potential to result in the release of one or more of the substances of concern included in the Trustee Council’s evaluation of natural resource damages. These types of activities are further described in the Trustee Council’s allocation methodology report.

EXHIBIT 4-1 ASH GROVE-RELATED ACTIVITIES

Ash Grove Activities – Site 21
Aboveground storage tank (AST) - diesel
AST hydraulic fluid
AST lubrication oil
AST other petroleum/unknown petroleum
AST waste oil
Boat moorage or marina operations
Cement/limestone manufacturing
Creosote treated railroad ties
Creosote treated wood pilings
Extensive vehicle operations or washing facilities
Landfill of dredged sediments-Willamette prior to 1980
PCB capacitor use
PCB contaminated oil spill
PCB transformer use/spills/storage
Petroleum leaks/spills
Scrap metal yard operation
Underground storage tank - gasoline
Ash Grove Activities – Site 275
AST diesel
AST hydraulic fluid
AST lubrication oil
AST other petroleum/unknown petroleum
AST waste oil
Cement manufacturing/distribution
Creosote treated railroad ties
Creosote treated wood pilings
Extensive vehicle operations or washing facilities
Fueling operations
Hydraulic oil leaks/spills
Landfill of dredged sediments-Willamette prior to 1980
Ship maintenance and/or construction

5.0 REFERENCES

Lower Willamette Group. 2009. Portland Harbor Draft Remedial Investigation Report. Prepared by Integral Consulting, Inc., Windward Environmental LLC, Kennedy/Jenks Consultants, and Anchor QEA, LLC.

Oregon Department of Environmental Quality. 2013. Environmental Cleanup Site Information Database. <https://www.deq.state.or.us/lq/ECSI/ecsiquery.asp?listtype=lis&listtitle=Environmental+Cleanup+Site%20Information+Database>

Portland Harbor Natural Resource Trustee Council. 2022. Portland Harbor Natural Resource Damage Assessment: Allocation Methodology Report. Prepared by Industrial Economics, Incorporated.

The Trustee Council also reviewed 19 additional documents submitted by Phase 2 parties that are settlement confidential and therefore not identified.